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ARTICLES:

- (1) Defense Minister Koike asks for US cooperation on provision of data on next-generation fighter planes during talks with US Ambassador to Japan

Sankei On-Line
July 11, 2007

Defense Minister Yuri Koike on the morning of July 11 met with US Ambassador to Japan Schieffer at the Defense Ministry. During the meeting she sought US cooperation regarding provision of data on follow-on mainstay fighter planes, which Japan plans to choose by next summer. She also indicated her intention to uncover the overall picture of the incident of the leaking of key data on Aegis-equipped destroyers and stressed her determination to prevent a recurrence of such an incident.

In response, Schieffer pointed out that the US took the incident very seriously. Regarding the selection of next-generation mainstay fighter aircraft, the ambassador noted that Japan should consider the issue not only from a microscopic view of the world, namely, what airplane should we choose, but also from a perspective of what is important for Japan's peace and security.

Koike conveyed to Schieffer her intention to visit the US after the Upper House election and meet with Secretary of Defense Gates.

(2) Japan-US drill under ballistic missile defense premised on a joint strategy

ASAHI (Page 16) (Excerpt)
Eve., July 11, 2007

It has been learned that in the joint drill under ballistic missile defense (BMD) carried out on July 6 between the US armed forces and the Self-Defense Forces (SDF) that intelligence, such as the expected impact point that was picked up by Aegis vessels on both sides was transmitted to an intercept squadron at the US forces'

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Kadena Air Base (Okinawa Prefecture), where Patriot-3 guided missiles (PAC3) are operating to intercept ballistic missiles, and to SDF headquarters. This is the first time for such a type of training exercise to be carried out.

With content of the drill premised on adopting a joint strategy between Japan and the US in order to respond to North Korean ballistic missiles, the training exercise can be said to have entered the actual combat stage.

According to an informed source, the US forces deployed the Aegis destroyer, John S. McCain, from Yokosuka Naval Base, and the SDF, the Aegis vessel, Myoukou, to the Sea of Japan. The SDF flew AWACS over the Sea of Japan to play a relay role for data communications. Additionally, the US forces transmitted the data gathered by the Aegis destroyer to the intercept squadron at Kadena Air Base.

(3) Poll: 10 % switch from LDP to DPJ for voting in proportional representation

NIKKEI (Page 1) (Full)
July 10, 2007

Ahead of July 29's election for the House of Councillors, the Nihon Keizai Shimbun conducted an online poll on July 6-9 to probe changes in public attitudes. Among those who chose the ruling Liberal Democratic Party for proportional representation in the first online poll conducted two weeks ago, 10 % changed their mind and chose the leading opposition Democratic Party of Japan (Minshuto) in the poll this time. Meanwhile, the proportion of those who switched from the DPJ to the LDP was only 2 % . The voter is turning a more severe eye toward the governing party against the backdrop of the government's failure to keep the records of payments into public pension plans and the public criticism of politics-and-money scandals.

The poll was conducted by Nikkei Research Inc. on the Internet throughout the country with a total of 3,000 persons chosen from among men and women aged 20 and over. The first in the online polling series was conducted June 22-25, with valid answers obtained from 35.3 % . In the second poll this time, the rate of valid respondents was 34.9 % .

In the choice of political parties for proportional representation, the DPJ rose 6 percentage points to 39 % , with the LDP up only 1 point to 20 % .

Respondents were also asked which political party's candidate they would vote for in their electoral districts. To this question, 41 % said they would vote for a DPJ candidate, up 4 points from the last survey. However, the proportion of those who said they would vote for an LDP candidate leveled off at 22 % . Among those who answered in the last survey that they would vote for an LDP candidate, 8 % answered this time that they would vote for a DPJ candidate, with 8 % saying they "don't know."

In the survey this time, a total of 40 % have now chosen a political party for proportional representation, up 7 points from the last survey. For electoral districts as well, the proportion of determined voters rose 6 points to 35 % . Among DPJ supporters, the proportion of those determined for proportional representation rose 8 points to 51 % , with the proportion of those determined for electoral districts also up 11 points to 46 % . Among LDP

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supporters, however, the proportion of those determined for proportional representation rose 4 points to 42 % , with the proportion of those determined for electoral districts up only 2 points to 38 % .

Among floating voters with no particular party affiliation, 84 % remain undecided for electoral districts, with 77 % wavering for proportional representation. It is a big challenge for the ruling and opposition blocs in their campaigns to win over these undecided voters.

Voter trends grasped in serial polling

In the online polling of voters on the upcoming election for the House of Councillors, a total of 3,000 persons are randomly sampled out of about 140,000 cooperative monitors on Nikkei Research Inc.'s nationwide roster. They are asked via email for cooperation and answer on the screen of a designated website. The same monitors will be asked for answers until the election.

For this serial online polling, samples are balanced with gender, age strata, and localities factored in. However, online sampling is prone to be biased to those highly interested in politics or Internet access. In the breakdown of respondents, 57 % are male. The average age of respondents is 49, about five years younger than those chosen for ordinary telephone-based public opinion surveys. However, online polling, in a way, can better grasp public interest in the House of Councillors election and changes in public voting behavior.

(4) Poll: LDP faced with public backlashes

NIKKEI (Page 3) (Abridged)
July 10, 2007

A recent online poll conducted by the Nihon Keizai Shimbun on the upcoming election for the House of Councillors discovered the deep-seated criticism of the government's pension fiasco. In addition, there is another issue involving Agriculture, Forestry and Fisheries Minister Norihiko Akagi over his shady office operating expenses. The ruling Liberal Democratic Party is in a whirlwind of public backlashes. The leading opposition Democratic Party of Japan (Minshuto) is playing the role of an alternative to a certain extent for those critical of the Abe government. With the House of Councillors election just around the corner, voters are highly concerned about the government's failure to keep the records of people's payments into public pension plans and politics-and-money scandals.

"Are you interested in the House of Councillors election?" In response to this question, the total proportion of those "very interested" and those "somewhat interested" reached 87 % , up 4 percentage points from the last survey. With the election to be

announced July 12, public interest is growing.

The ruling and opposition camps are both aiming to secure a majority of the seats in the House of Councillors, including those not up for reelection. In the survey, respondents were asked if they would like the ruling coalition to sustain its current majority of the seats in the House of Councillors. To this question, "yes" accounted for 23 % , down 1 point. Meanwhile, the proportion of those who would like the ruling coalition to lose its majority rose 3 points to 63 % .

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In addition, respondents were also asked what if the ruling coalition failed to secure a majority of the seats in the House of Councillors. To this question, 33 % answered that Prime Minister Abe should dissolve the House of Representatives for a general election. This answer topped all other answers. Among other answers, 24 % said Prime Minister Abe should step down, with 20 % saying the prime minister should shuffle his cabinet. Respondents were further asked to pick one or more policy issues they would consider when voting in the House of Councillors election. In response, a total of 63 % picked "pensions," which ranked first and topped 50 % in all age brackets. Among other answers, "healthcare, nursing care, welfare" accounted for 52 % , with "politics and money" at 47 % .

(5) Upper House Election - 2400 participated in national opinion poll; Strong signs of "performance evaluation"

TOKYO SHIMBUN (Page 11) (Full)
July 11, 2007

Yoshiaki Kobayashi, Professor at Keio University

If the election were held tomorrow, the Liberal Democratic Party (LDP) would probably face a much harsher result than the previous Upper House election in 2004.

Looking at the breakdown of party support rates, at present, the LDP (at 40 %) enjoys almost double the support of the Democratic Party of Japan, or Minshuto, (at 21 %). At first glance, it appears that the LDP can win all the single-seat constituencies, but the election is not so simple.

This is because the unaffiliated voters (22 %) could throw their support behind the Minshuto candidates, or the crucial percentage of LDP supporters who actually vote for LDP candidates (the yield rate) could decline.

Taking a look at the attitude of the unaffiliated voters, unlike the 2004 election, which served as a referendum on the issue of postal privatization, the upcoming election shows signs of becoming a "performance evaluation" of the current government.

For example, 79 % of unaffiliated voters (in analyzing the most recent Tokyo Shimbun nationwide poll) responded that they "cannot rely" on "the government's response to the pension problem," and among these voters, 33 % would vote for Minshuto in the proportional representation bloc as compared to 6 % who would vote for the LDP. Regarding the issue of "transparency in politics and expenses," 83 % of unaffiliated voters said they "did not appreciate" the government's efforts, and among these, 33 % would vote for Minshuto compared to 7 % who would vote for the LDP.

In other words, many unaffiliated voters do not appreciate the government's handling of the pension fiasco or political funds issues, and they are starting to lean towards Minshuto.

Meanwhile, among LDP supporters, the percentage saying they would vote for the LDP in the proportional representation bloc has remained at 58 % . Compared to the 74 % shown in polls taken at a similar point in time during the 2004 election, this is a 16 point drop in the yield rate.

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Furthermore, 44 % of LDP supporters do not appreciate the government's response to the pension fiasco, and 38 % do not appreciate the government's approach to political fund regulation. Among these LDP supporters who do not support the current Cabinet, the percentage that would vote for the LDP in the proportional representation bloc (27 %) far trails the percentage that would vote for Minshuto (40 %).

Some say that these political attitudes of LDP supporters are a replay of the political environment surrounding the 1989 Upper House elections, however I would point out one difference - the fact that Prime Minister Abe has not run away from the pension fiasco is the ruling coalition's saving grace.

In 1989, the opposition camp attacked the LDP with the "daily life issue" of the consumption tax (TN: the consumption tax had just been introduced that year). The LDP, foreseeing the fall of the Berlin Wall that was to happen at the end of the year, focused on broader "ideological issues," asking voters to choose between the economic systems of capitalism and socialism. This approach, however, failed to attract voters and in the battle of election issues, the LDP suffered a humiliating loss.

If in this election the LDP had decided to skirt the "daily life issue" of pensions and introduced a broader "ideological issue," they may have faced similar results. Yet, because they took up the handling of the pension issue as the main focus of the election, there remains the possibility this time around that in the time remaining, the LDP can turn things around.

In closing, the factor we must worry about most is low voter turnout. This is because the winners of the upcoming Upper House election will remain in office until 2013, and depending on the situation, they may be in a position to vote on issues such as constitutional revision or a move to the regional system - a once in a lifetime opportunity to make a decision regarding the most important issues of the postwar period.

It is imperative that the public will to select these important politicians be strong. If voter turnout is less than 50 % , the will of 25 % of the population will decide the future of the country.

"One second of voting equals a hundred years in a country's history." This entry in a 1928 catchphrase contest, the year of Japan's first regular elections, can be applied to the upcoming Upper House election. If democracy is "deciding one's matters by oneself," it is meaningless unless voters go to the polls.

(6) LDP desperate to put end to Agriculture Minister Akagi's office expenses problem

TOKYO SHIMBUN (Page 2) (Full)
July 11, 2007

The ruling Liberal Democratic Party (LDP) is now desperately trying to put an end to Agriculture, Forestry and Fisheries Minister Norihiko Akagi's money scandal in an attempt to avoid negative impact on the outcome of the July 29 House of Councillors election. However, the LDP's move could backfire, prompting voters to lash out at the government and LDP.

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The LDP executives shared in a meeting yesterday the view that Akagi did not violate the law and the public would understand if he gave them a full explanation.

Should the LDP enter the campaign for the Upper House race without ending the issue, it will inevitably have an uphill battle in the election. The LDP leadership has a choice to urge Prime Minister Shinzo Abe to sack Akagi.

However, if Akagi becomes the fourth minister in the Abe cabinet to be dismissed, Abe's responsibility for appointing him will be

severely called into question. As a result, the support rating for the Abe cabinet will decline further, inflicting a mortal wound on the cabinet. Therefore, the LDP executive has determined that it would better for the party to wait for the Akagi scandal to die down, rather than to sack him.

A senior member of the LDP caucus in the Upper House said: "This issue is over now. The candidates have no other choice but do their best to win the election, facing adverse wind."

Secretary General Hidenao Nakagawa instructed Acting Secretary

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General Nobuteru Ishihara to review the internal regulations so that the flow of funds of the Diet members' political organizations will become clearer. The move was apparently aimed to play up the party's stance of making efforts for dealing with the matter.

Akihiro Ota, leader of the New Komeito, the LDP's coalition partner, stated yesterday in interviews to the Tokyo Shimbun and other newspapers: "I would like him to fulfill his responsibility as agriculture minister to make a full explanation." He indicated in his remarks that the New Komeito might call on Abe to dismiss Akagi.

Meanwhile, Minshuto (Democratic Party of Japan) President Yukio Hatoyama told reporters in Nagoya City in a strong tone: "The (agriculture minister) has not at all fulfilled his accountability. The prime minister should sack him." Since the opposition intends to step up its attack, there is no guarantee that the LDP's plan will work out as is its intention.

(7) Editorial: Agriculture Minister Akagi must not underestimate the public

TOKYO SHIMBUN (Page 5) (Full)
July 11, 2007

Agriculture, Forestry and Fisheries Minister Norihiko Akagi re-explained the question of his shady offices expenses yesterday. He repeatedly denied any transfer of expenses or fictitious expenses, while refusing to produce receipts. His explanation was simply insufficient to convince the public.

Akagi said: "There has been no mixture of private matters and public ones, like funding my parents' living expenses with my support association's expenses." Seeing his parent's large estate on television, nobody thought of such a thing. Akagi might have used his office to conceal dubious expenses -- this is the point of the suspicion. He seems unaware of the severity of the situation.

The "Norihiko Akagi support organization," which is the farm minister's political organization, registered his parent's house as

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its main office and declared about 90 million yen as office expenses over 10 years up to 2005. The public wants to know whether or not the 90 million yen was really used as office expenses, and if not, how it was actually used.

In yesterday's press conference, Akagi explained his office expenses this way: "My parent's house has been serving as the base in my home constituency. About 90 million yen was the sum total of the expenses incurred for my offices in Mito, Shimotsuma, and my parent's house." He did not give any new information. Such an explanation is meaningless.

Days earlier, Akagi's parents and a representative of his supporters association indicated that the parent's house has not been used as an office. But they later retracted their words as if to align themselves with Akagi's explanation yesterday. Their about-face has left an awkward impression rather than dispelled suspicion. Some even suspect that those individuals made certain they would tell the same story.

We have urged the agriculture minister to produce receipts in

explaining his office expenses, believing that was the only way to wipe out strong public distrust.

"I have reported on office expenses properly based on the law," Akagi said, expressing his unwillingness to produce receipts. Prime Minister Shinzo Abe, too, indicated that there was no need to disclose receipts, saying, "A set of rules have been established from a viewpoint of freedom of political activities. Following those rules is essential."

Under the revised Political Funds Control Law, fund management organizations are required to attach receipts to their fund reports for every item costing 50,000 yen or more. The law does not apply to political organizations, like the one run by Akagi, however.

Refusing to disclose receipts on the strength of the loophole-filled law runs counter to the spirit of the very law that is intended to increase the transparency of political funds. It also conflicts with the political ethics guidelines that a lawmaker under suspicion must make every effort to clear his name.

After the press conference, the farm minister left for Europe for talks with World Trade Organization (WTO) Director-General Pascal Lamy and others. If he does not want to be criticized for getting away from the scandal, the minister must hold a press conference immediately after returning home to fulfill his accountability.

SCHIEFFER